ANNUAL STATEMENT OF COMMUNITY BENEFITS STANDARD - 2002
TEXAS NONPROFIT HOSPITALS

PLEASE RETURN DIRECTLY TO:

Texas Department of Health
Center for Health Statistics
1100 West 49th Street
Austin, Texas 78756 – 3199

Phone: (512) 458-7261
Fax: (512) 458-7344

Enclosed is a copy of the blank 2002 Annual Statement of Community Benefits Standard (ASCBS) form for your hospital or hospital system. Under the Health and Safety Code, Sections 311.045 and 311.046, public hospitals and for-profit hospitals designated as Medicaid disproportionate share hospitals are required to file (1) the **ASCBS form** and (2) an **annual report of the Community Benefits Plan** with the Texas Department of Health (TDH). Please remember that the 2002 ASCBS form must also be filed with your local appraisal district. Mailing instructions are included on the back of this page.

Please note that the 77th Texas Legislature introduced amendments to the Health and Safety Code, Chapter 311, Subchapter D. Section 311.045(f) establishes a mechanism for hospitals to receive credit for taking care of county indigent patients. The amendment to 311.046(d) establishes requirements for each hospital in the areas of providing notice about the charity care program, including the charity care and eligibility policies, to each individual seeking care, and publishing public notices in the local newspaper.

The ASCBS form is available on our TDH web site at http://www.tdh.state.tx.us/dpa/survey/ under Forms in Word and PDF formats. A copy of the Health and Safety Code, Chapter 311, Subchapters C and D is also available on this web site under Regulations and Rules. **The filing date for fiscal year 2002 charity care and community benefits reports is April 30, 2003.** You may complete the form in Word format and send it electronically as an attachment to the E-mail address: feedback.opp@tdh.state.tx.us.

Please note that a hospital participating in the Medicaid disproportionate share hospital program during the 2002 reporting period or in either of its previous two fiscal years (2000 or 2001) is deemed in compliance of the law. The hospital, however, is required to provide financial information on the ASCBS form and file an annual report of the Community Benefits Plan. Also note that a hospital located in a county with population below 50,000 where the entire county or the population of the entire county has been designated as a Health Professional Shortage Area is exempt from this reporting. A list of hospitals required to report charity care and community benefit information for 2002 and a list of hospitals exempt from reporting in 2002 are available on our web site.

Please contact Mr. Dwayne Collins, Center for Health Statistics, at (512) 458-7261 if you have any questions. Thank you for your cooperation.

Mike R. Gilliam Jr., Director
Center For Health Statistics
Texas Department of Health

MAILING INSTRUCTIONS

NONPROFIT HOSPITAL CHARITY CARE AND COMMUNITY BENEFITS REPORTING REQUIREMENTS

I. Reporting Requirements for the Texas Department of Health

Mail (1) the report of your annual Community Benefits Plan and (2) one copy of the Annual Statement of Community Benefits Standard and accompanying worksheets to:

Center For Health Statistics*
Texas Department of Health
1100 West 49th Street
Austin, Texas 78756-3199

The ASCBS form (Part I) is also available in Word format on our web site: www.tdh.state.tx.us/dpa/survey under Forms. You may file the form in Word format and send it electronically as an attachment to the E-mail address: feedback.opp@tdh.state.tx.us. Please make sure to mail a copy of the annual report of the Community Benefits Plan to the TDH mailing address above.

Failure to file the report of the annual Community Benefits Plan and the Annual Statement and accompanying worksheets with the department could result in an assessment of a civil penalty not to exceed $1,000 for each day a report is delinquent. (Health and Safety Code, Section 311.047.)

*Please note: Center For Health Statistics was previously known as the Office of Health Information and Analysis and as the Office of Policy and Planning.

II. Reporting Requirements for the Local County Appraisal District

Mail one copy of the Annual Statement of Community Benefits Standard and accompanying worksheets to your local county appraisal district. If you do not timely file your statement, you could lose your property tax exemption.

Part I
ANNUAL STATEMENT OF COMMUNITY BENEFITS STANDARD – 2002
TEXAS NONPROFIT HOSPITALS

NOTE: This form should be used for fiscal reporting periods ending on or after January 1, 2002.

Hospital or Hospital System: _____

Mailing Address: _____
(Street Address/P.O. Box) (City) (State) (Zip Code)

Physical Address (if different than mailing address):

_____
(Street Address/P.O. Box) (City) (State) (Zip Code)

Reporting Period: _____ through _____ **Taxpayer Number:** _____
(MM/DD/YYYY) (MM/DD/YYYY)

I-1. Net Patient Revenue (include Medicaid Disproportionate Share Hospital payments): $ _____

Please complete worksheets 1 through 4-B, worksheet 5, if applicable, and the sections on page 3 before completing sections I-2. through I-4.

I-2. ☐ The hospital has been designated as a **disproportionate share hospital** under the state Medicaid program in the period covered by this report (2002) or in either of its two previous fiscal years. Completion of section I-3. or I-4. is not required.

I-3. **STANDARDS** - *Please check the appropriate box (A, B or C) below and provide the requested information.*

☐ **A.** Charity care and government-sponsored indigent health care are provided at a level which is reasonable in relation to the community needs, as determined through the community needs assessment, the available resources of the hospital, and the tax-exempt benefits received by the hospital.

1. Tax exempt benefits (Worksheet 5) $ _____
2. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year $ _____

☐ **B.** Charity care and government-sponsored indigent health care are provided in an amount equal to at least 100 percent of the hospital's tax-exempt benefits, excluding federal income tax. (Standard B is met if B.4. is greater than or equal to B.3.)

1. Tax-exempt benefits (Worksheet 5) $ _____
2. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year $ _____
3. Total of B.1. and B.2. above $ _____
4. Enter the total from item II.C. $ _____

☐ **C.** Charity care and community benefits are provided in a combined amount equal to at least five (5) percent of the hospital's net patient revenue, provided that charity care and government-sponsored indigent health care are provided in an amount equal to at least four (4) percent of net patient revenue. (Standard C is met if C.4. is greater than or equal to C.3. and C.8. is greater than or equal to C.7.)

1. Multiply Net Patient Revenue (I-1.) by 5% $ _____
2. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year $ _____
3. Total of C.1. and C.2. above $ _____
4. Enter the amount recorded in item II.E. $ _____
5. Multiply Net Patient revenue (I-1.) by 4% $ _____
6. Shortfall in charity care and government-sponsored indigent health care from the prior fiscal year $ _____
7. Total of C.5. and C.6. above $ _____
8. Enter the amount recorded in item II.C. $ _____

I-4. ☐ Check this box if your hospital **did not meet** any of the standards in sections I-3. Please attach explanatory information.

INSTRUCTIONS FOR COMPLETION OF THE ANNUAL STATEMENT OF COMMUNITY BENEFITS STANDARD

This form should be used by nonprofit hospitals for fiscal reporting periods ending on or after January 1, 2002. Please refer to the following instructions in completing the Annual Statement of Community Benefits Standard (ASCBS). Hospitals may elect to report on a consolidated "system" basis. Hospitals electing to report on a system basis shall consolidate the individual hospital information into a single annual statement of community benefits standard form (pages 1 and 3) for the system. A separate set of worksheets shall be completed for each individual hospital included in the system. The ASCBS worksheet forms must be used in submitting information on individual hospitals in a system.

Hospitals required to report: The following hospitals are included in the definition of nonprofit hospitals and are required to report:

1. a hospital eligible for tax-exempt bond financing; or exempt from state franchise, sales, ad valorem, or other state or local taxes; and organized as a nonprofit corporation or a charitable trust under the laws of this state or any other state or country; or

2. a Medicaid disproportionate hospital; or

3. a public hospital owned or operated by a political subdivision or municipal corporation of the state, including a hospital district or authority.

Exemptions: A nonprofit hospital is not required to report if it:

1. a. is exempt from state franchise, sales, ad valorem, or other state or local taxes; and

   b. does not receive payment for providing health care services to any inpatients or outpatients from any source including but not limited to the patient or any person legally obligated to support the patient, third-party payors, Medicare, Medicaid, or any other federal, state, or local indigent care program; payment for providing health care services does not include charitable donations, legacies, bequests, or grants or payments for research; and

   c. does not discriminate on the basis of inability to pay, race, color, creed, religion, or gender in its provision of services; or

2. is located in a county with a population under 50,000 where the entire county or the population of the entire county has been designated as a Health Professionals Shortage Area (HPSA). Note: A nonprofit hospital is required to report if it is located in a county with a population under 50,000 where a subpopulation, partial geographic area, or a facility is designated as a HPSA. In this case, Exemption 2 does not apply.

Reporting Periods: Indicate the 12-month period covered by the report.

Taxpayer Number: Include the 11-digit taxpayer number assigned by the Comptroller of Public Accounts.

Net Patient Revenue: "Net Patient Revenue" used in I-1. is revenue reported at the estimated net realizable amounts from patients, Medicaid disproportionate share payments, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Standards: Select the standard by checking the appropriate box (A, B or C). (Note: Disproportionate share hospitals designated under the state Medicaid program in 2000, 2001 or 2002 should check the box for I-2. If I-2. is selected, completion of sections I-3. and I-4. is not required.) Provide the requested worksheets and additional information, if applicable.

ANNUAL STATEMENT OF COMMUNITY BENEFITS STANDARD – 2002 (continued)

Hospital or Hospital System: _____ **City:** _____

II. CHARITY CARE, GOVERNMENT–SPONSORED INDIGENT HEALTH CARE, AND OTHER COMMUNITY BENEFITS INFORMATION- *Please refer to the instructions on the back of this page in completing this section.*

A. Unreimbursed costs of charity care

1. Unreimbursed costs of providing care to financially and medically indigent (Worksheet 1, (g)) $ _____

2. Support to financially indigent patients provided through others (Worksheet 2, (d)) $ _____

3. Unreimbursed costs of charity care (A.1. + A.2.) $ _____

B. Unreimbursed costs of providing Government-sponsored Indigent Health Care (Worksheet 3, (e)) $ _____

C. Total Charity Care and Government-sponsored Indigent Health Care (A.3. + B.) $ _____

D. Unreimbursed costs of providing Other Community Benefits (Worksheets 4-A, (e) and 4-B, (e)) $ _____

E. Total Charity Care, Government-sponsored Indigent Health Care, and Other Community Benefits (C. + D.) $ _____

III. HOSPITAL SYSTEMS - *List all the hospitals included in this system report. Refer to the instructions on the back of this page in completing this section.*

	Name of Hospital	Physical Address	Miles From System Office	Community Benefits Contribution*
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

(Please add additional sheets if necessary)

***Note:** The sum of these contributions should equal the entry in II.E.* **TOTAL**

IV. CERTIFICATION: ☐ ***By checking this box I certify that the information provided on this statement is true, complete and correct to the best of my knowledge.***

Name/ Title (Please Print) _____ **Phone: Area Code/ Telephone No.** _____

Signature _____ **Date:** (MM/DD/YYYY) _____

Name of Person Completing Form _____ Ext. _____ **Phone: Area Code/ Telephone No.**

Electronic/Internet Mail Address _____ **FAX: Area Code/ Fax No.** _____

INSTRUCTIONS FOR COMPLETION OF THE ANNUAL STATEMENT OF COMMUNITY BENEFITS STANDARD (Continued)

Community Benefits: Include charity care (Worksheet 1), government-sponsored indigent health care (Worksheet 3), and other community benefits (Worksheets 4-A and 4-B).

Charity Care, Government-sponsored Indigent Health Care, and Other Community Benefits Information:

Prior to completing Section II.A. through II.E., complete worksheets 1, 1-A, 2, 3, 4-A and 4-B. Also complete worksheet 5, if applicable. Definitions for use in the completion of required worksheets are provided on the back of each worksheet.

Hospital Systems: If reporting as a system, list all the hospitals included in this system report. Include their physical address and approximate distance in miles from the physical location of the hospital system's corporate parent office. Specify the community benefits contribution made by each hospital. The sum of these contributions should equal the entry in II.E.

Certification: Please check the box, sign and date the certification statement. Please include the name, telephone number, FAX number and e-mail address of the person completing the report.

Worksheet 1

ESTIMATED UNREIMBURSED COSTS OF INPATIENT AND OUTPATIENT CHARITY CARE PROVIDED – 2002

Name of Hospital: _____ **City:** _____

Reporting Period: _____ through _____
(MM/DD/YY) (MM/DD/YY)

	Financially Indigent	Medically Indigent		Total Charity Care Charges
Total Billed Charges for Charity Care Provided (based on 2002 audited fiscal year): (exclude bad debt)				
Inpatient				
Outpatient				
Total			(a)	

Cost to Charge Ratio Calculation (based on 2001 audited fiscal year):

2001 Gross Patient Service Revenue[1, 2] (b) _____

2001 Total Patient Care Operating Expenses[1, 3] (c) _____

Cost to Charge Ratio (Divide (c) by (b)) (Please report the ratio as a decimal.) (d) _____

Total Estimated Costs of Charity Care Provided ((a) X (d)) (e) _____

Payments Received for Charity Care Provided: (based on 2002 audited fiscal year)

Third-Party Payments _____

Payments from Patients _____

Other Payments[4] (Public hospitals report tax appropriations relative to charity care here) _____

Total Payments Received for Charity Care Provided (f) _____

Estimated Unreimbursed Costs of Charity Care Provided ((e) - (f))[5] (g) _____

[1] Use audited data for FY 2001 to complete the Cost to Charge Ratio Calculation section of this worksheet for FY 2002.

[2] Gross Patient Service Revenue excludes Medicaid Disproportionate Share Hospital payments.

[3] Total Patient Care Operating Expenses includes bad debt expense, excludes contractual adjustments.

[4] Do not include charitable contributions and grants received by the hospital.

[5] Report zero (0) in (g) if total estimated costs of charity care provided (e) minus total payments (f) is a negative value.

Worksheet 1

ESTIMATED UNREIMBURSED COSTS OF INPATIENT AND OUTPATIENT CHARITY CARE PROVIDED BY HOSPITAL

Definitions

Reporting Period: Indicate the beginning and ending dates for your fiscal reporting period.

Financially Indigent: An uninsured or underinsured person who is accepted for care with no obligation or a discounted obligation to pay for the services rendered based on the hospital's eligibility system.

Medically Indigent: A person whose medical or hospital bills after payment by third-party payors exceed a specified percentage of the patient's annual gross income, determined in accordance with the hospital's eligibility system, and the person is financially unable to pay the remaining bill.

Charity Care: The unreimbursed cost to a hospital of providing, funding, or otherwise financially supporting health care services on an inpatient or outpatient basis to a person classified by the hospital as "financially indigent" or "medically indigent."

Billed Charges for Charity Care: The total amount of hospital charges for inpatient and outpatient services attributable to charity care in a cost reporting period. These charges do not include bad debt charges.

Hospital Eligibility System: The financial criteria and procedure used by a hospital to determine if a patient is eligible for charity care. The system shall include income levels and means testing indexed to the federal poverty guidelines; provided, however, that a hospital may not establish an eligibility system which sets the income level eligible for charity care lower than that required by counties under Section 61.023 or higher, in the case of the financially indigent, than 200 percent of the federal poverty guidelines. A hospital may determine that a person is financially or medically indigent pursuant to the hospital's eligibility system after health care services are provided.

Cost to Charge Ratio Calculation: Derived in accordance with generally accepted accounting principles for hospitals.

Cost to Charge Ratio = 2001 Total Patient Care Operating Expenses divided by 2001 Gross Patient Service Revenue. Note: Use audited data for FY 2001 in calculating the cost to charge ratio for FY 2002.

Worksheet 1-A

CALCULATION OF THE RATIO OF COST TO CHARGE – 2002

Name of Hospital: _____ **City:** _____

Reporting Period: _____ Through _____
(MM/DD/YY) (MM/DD/YY)

Calculation of Initial Ratio of Cost to Charge

Total Patient Revenues
(from **2001** Medicare Cost Report[1], Worksheet G-3, Line 1) (a) _____

Total Operating Expenses
(from **2001** Medicare Cost Report[1], Worksheet A, Line 95, Col. 7) (b) _____

Initial Ratio of Cost to Charge ((b) divided by (a)) (Please report the ratio as a decimal.) (c) _____

Application of Initial Ratio of Cost to Charge to Bad-Debt Expense

Bad-Debt Expense[2]
(from **2002** audited financial statement covering your reporting period**)** (d) _____

Multiply "Bad-Debt Expense" by "Initial Cost to Charge Ratio" to determine allowable Bad-Debt Expense **((d) x (c))** (e) _____

Add the allowable "Bad-Debt Expense" to "Total Operating Expenses" ((b) + (e)) (f) _____

Calculation of Ratio of Cost to Charge ((f) divided by (a)) (Please report the ratio as a decimal.) (g) _____

NOTE: This is Worksheet 1-A from the 1994 Annual Statement of Community Benefits Standard form.

[1] Use the **PRIOR** year cost report regardless of status of review. For example, use Medicare Cost Report data for FY 2001 to complete the Calculation of Initial Ratio of Cost to Charge section of this worksheet.

[2] Bad debt expense is defined as the provision for actual or expected uncollectibles resulting from the extension of credit.

Additional cost areas that are not reflected in the above calculations may be identified on the back of this form. Do not include these costs in worksheet computations.

Worksheet 1-A (Continued)

ADDITIONAL COST AREAS

Cost Area	Medicare Cost Report Reference*	Amount

*** Include worksheet, line number and column, when applicable.**

Worksheet 2

SUPPORT TO FINANCIALLY INDIGENT PATIENTS PROVIDED THROUGH OTHERS – 2002

Name of Hospital: _____ **City:** _____

Reporting Period: _____ through _____
(MM/DD/YY) (MM/DD/YY)

		Other Nonprofit		Public		Total
Funding to:						
Outpatient Clinic						
Hospital						
Other Health Care Organizations						
Total Funding to Others	(a.1.)		(a.2.)		(a.3.)	
Financial Support to:						
Outpatient Clinic						
Hospital						
Other Health Care Organizations						
Total Other Financial Support	(b.1.)		(b.2.)		(b.3.)	
Total Support Provided Through Others:	(a.1.+b.1.)		(a.2.+b.2.)		(a.3.+b.3.)	
Less: Payments allocated					(c)	
Total Unreimbursed Support Provided Through Others ((a.3. + b.3.) - (c))					(d)	

Worksheet 2

SUPPORT TO FINANCIALLY INDIGENT PATIENTS PROVIDED THROUGH OTHERS

Definitions

Reporting Period: Indicate the beginning and ending dates for your fiscal reporting period.

Charity Care: The unreimbursed cost to a hospital of providing, funding, or otherwise financially supporting health care services provided to financially indigent patients through other nonprofit or public outpatient clinics, hospitals, or health care organizations.

Worksheet 3

ESTIMATED UNREIMBURSED COSTS OF GOVERNMENT-SPONSORED INDIGENT HEALTH CARE – 2002

Name of Hospital: _____ **City:** _____

Reporting Period: _____ Through _____
(MM/DD/YY) (MM/DD/YY)

Billed Charges for Government-sponsored Indigent Health Care Provided:
(Do not include Medicare or non-government charges.)

	Inpatient	Outpatient	Total
Medicaid (include Medicaid Managed Care charges; exclude Medicaid Disproportionate Share Hospital payments)			
State Government (CIDC, Primary Care, Kidney Health, etc.)			
Local Government (County Indigent Health Care, other)			
Other Government			
Total Billed Charges			(a)

Ratio of Cost to Charge (Worksheet 1, Item d) (Please report the ratio as a decimal.) (b) _____

Estimated Costs of Government-sponsored Indigent Health Care Provided ((a) x (b)) (c) _____

Payment Received for Government-sponsored Indigent Health Care Provided:
(Do not include Medicare or non-government payments received.)

Medicaid (include Medicaid Managed Care payments; exclude Medicaid Disproportionate Share Hospital payments)	
Medicaid Disproportionate Share Hospital payments	
State Government (CIDC, Primary Care, Kidney Health, etc.)	
Local Government (County Indigent Health Care, other)	
Other Government	
Total Payments	(d)

Estimated Unreimbursed Costs of Government-sponsored Indigent Health Care ((c) - (d))[1] (e) _____

[1] Report zero (0) in (e) if estimated costs of government-sponsored indigent health care provided (c) minus total payments (d) is a negative value.

Worksheet 3

ESTIMATED UNREIMBURSED COSTS OF GOVERNMENT-SPONSORED INDIGENT HEALTH CARE

Definitions

Reporting Period: Indicate the beginning and ending dates for your fiscal reporting period.

Unreimbursed Costs: The costs a hospital incurs for providing services after subtracting payments received from any source for such services including but not limited to the following: third-party insurance payments; Medicare payments; Medicaid payments; Medicare education reimbursements; state reimbursements for education; payments from drug companies to pursue research; grant funds for research; and disproportionate share payments. For purposes of this definition, the term "costs" shall be calculated by applying the cost to charge ratios derived in accordance with generally accepted accounting principles for hospitals to billed charges. The calculation of the cost to charge ratios shall be based on the most recently completed and audited prior fiscal year of the hospital or hospital system. For purposes of this definition, charitable contributions and grants to a hospital, including transfers from endowment or other funds controlled by the hospital or its nonprofit supporting entities, shall not be subtracted from the costs of providing services for purposes of determining the unreimbursed costs of charity care and government-sponsored indigent health care only.

Government-sponsored Indigent Health Care: The unreimbursed cost to a hospital of providing health care services to recipients of Medicaid and other federal, state, or local indigent health care programs, eligibility for which is based on financial need.

Worksheet 4-A

UNREIMBURSED COSTS OF PROVIDING COMMUNITY BENEFITS – 2002

Name of Hospital: _____ **City:** _____

Reporting Period: _____ through _____
(MM/DD/YY) (MM/DD/YY)

Unreimbursed Costs of Subsidized Health Services:

Emergency Care		_____
Trauma Care		_____
Neonatal Intensive Care		_____
Freestanding Community Clinics, e.g., rural health clinics		_____
Collaborative effort with local government(s) and/or private agency in preventive medicine, e.g., immunization program		_____
Other Services		_____
Total	(a)	_____

Donations <u>Made by</u> the Hospital	(b)	_____
Unreimbursed Research-Related Costs	(c)	_____

Unreimbursed Education-Related Costs:

Education of physicians, nurses, technicians and other medical professionals and health care providers		_____
Scholarships and funding to medical schools, colleges and universities for health professions education		_____
Education of patients concerning diseases and home care in response to community needs		_____
Community health education through informational programs, publications and outreach activities in response to community needs		_____
Other educational services		_____
Total	(d)	_____

Total Unreimbursed Costs of Providing Community Benefits ((a) + (b) + (c) + (d))	(e)	_____

Worksheet 4-A

UNREIMBURSED COSTS OF PROVIDING COMMUNITY BENEFITS

Definitions

Reporting Period: Indicate the beginning and ending dates for your fiscal reporting period.

Subsidized Health Services: Those services provided by a hospital in response to community needs for which the reimbursement is less than the hospital's cost for providing the services and which must be subsidized by other hospital or nonprofit supporting entity revenue sources.

Donations: The unreimbursed costs of providing cash and in-kind services and gifts, including facilities, equipment, personnel, and programs, to other nonprofit or public outpatient clinics, hospitals, or health care organizations.

Research-Related Costs: The unreimbursed cost to a hospital of providing, funding, or otherwise financially supporting facilities, equipment, and personnel for medical and clinical research conducted in response to community needs.

Education-Related Costs: The unreimbursed cost to a hospital of providing, funding, or otherwise financially supporting educational benefits, services, and programs.

Unreimbursed Costs: The costs a hospital incurs for providing services after subtracting payments received from any source for such services including but not limited to the following: third-party insurance payments; Medicare payments; Medicaid payments; Medicare education reimbursements; state reimbursements for education; payments from drug companies to pursue research; grant funds for research; and disproportionate share payments. For purposes of this definition, the term "costs" shall be calculated by applying the cost to charge ratios derived in accordance with generally accepted accounting principles for hospitals to billed charges. The calculation of the cost to charge ratios shall be based on the most recently completed and audited prior fiscal year of the hospital or hospital system. For purposes of this definition, charitable contributions and grants to a hospital, including transfers from endowment or other funds controlled by the hospital or its nonprofit supporting entities, shall not be subtracted from the costs of providing services for purposes of determining the unreimbursed costs of charity care and government-sponsored indigent health care only.

Worksheet 4-B

ESTIMATED UNREIMBURSED COSTS OF INPATIENT AND OUTPATIENT MEDICARE, CHAMPUS AND OTHER GOVERNMENT-SPONSORED PROGRAMS – 2002

Name of Hospital: _____ **City:** _____

Reporting Period: _____ through _____
(MM/DD/YY) (MM/DD/YY)

Total Billed Charges for Medicare, CHAMPUS, and Other Government-sponsored Health Care Provided:
(Do not include Medicaid charges or other government charges previously reported on worksheet 3.)

Inpatient		
Outpatient		
Total Billed Charges	(a)	
Ratio of Cost to Charge (Worksheet 1, Item d) (Please report the ratio as a decimal.)	(b)	
Estimated Costs of Government-sponsored Health Care Provided (a x b)	(c)	

Payments Received for Care Provided:
(Do not include Medicaid payments received.)

Government Payments		
Payments from Patients		
Other Payments[1]		
Total Payments	(d)	
Estimated Unreimbursed Costs of Government-sponsored Health Care Provided ((c) - (d))[2]	(e)	

[1] Do not include charitable contributions and grants.

[2] Report zero (0) in (e) if estimated cost of government-sponsored health care provided (c) minus total payments (d) is a negative value.

Worksheet 4-B

ESTIMATED UNREIMBURSED COSTS OF INPATIENT AND OUTPATIENT MEDICARE, CHAMPUS AND OTHER GOVERNMENT-SPONSORED PROGRAMS

Definitions

Reporting Period: Indicate the beginning and ending dates for your fiscal reporting period.

Unreimbursed Costs: The costs a hospital incurs for providing services after subtracting payments received from any source for such services including but not limited to the following: third-party insurance payments; Medicare payments; Medicaid payments; Medicare education reimbursements; state reimbursements for education; payments from drug companies to pursue research; grant funds for research; and disproportionate share payments. For purposes of this definition, the term "costs" shall be calculated by applying the cost to charge ratios derived in accordance with generally accepted accounting principles for hospitals to billed charges. The calculation of the cost to charge ratios shall be based on the most recently completed and audited prior fiscal year of the hospital or hospital system. For purposes of this definition, charitable contributions and grants to a hospital, including transfers from endowment or other funds controlled by the hospital or its nonprofit supporting entities, shall not be subtracted from the costs of providing services for purposes of determining the unreimbursed costs of charity care and government-sponsored indigent health care only.

Government-sponsored Program Unreimbursed Costs: The unreimbursed cost to the hospital of providing health care services to the beneficiaries of Medicare, the Civilian Health and Medical Program of the Uniformed Services, and other federal, state, or local government health care programs.

Worksheet 5

ESTIMATED VALUE OF TAX EXEMPT BENEFITS – 2002

Name of Hospital _____ **City:** _____

Reporting Period: _____ through _____
(MM/DD/YY) (MM/DD/YY)

Franchise Tax

The greater of:

Fund Balance x 0.25 percent (.0025); or

Net Income plus Officers' and Directors' Compensation x 4.5 percent (.045) (a) _____

Ad Valorem Taxes	**Amount of Taxes**	
County Property Tax (Appraised Value of Property (Real and Personal) x Tax Rate)	_____	
School District Tax (Appraised Value of Property x Tax Rate)	_____	
Hospital District Tax (Appraised Value of Property x Tax Rate)	_____	
Other Property Taxes (Appraised Value of Property x Tax Rate)	_____	
Total Estimated Ad Valorem Taxes		(b) _____

Sales Tax

Supplies expense less pharmacy supplies expense	_____		
Lease or rental expense	_____		
Capital Purchases	_____		
Total Estimated Taxable Purchases		(1)	_____
Sales Tax Rate		(2)	_____
Total Estimated Sales Tax (Multiple (1) by (2))			(c) _____

Contributions

Nondesignated and Charitable Cash Donations received by the hospital	_____	
Fair Market Value of Nondesignated and Charitable In-Kind Donations	_____	
Total Contributions		(d) _____

Tax-Exempt Bond Financing

Average Outstanding Bond Principal x Prevailing Interest Rate at Time of Issuance		(1)	_____
Actual Interest Expense for the Reporting Period		(2)	_____
Total Estimated Value of Tax-Exempt Bond Financing (Subtract (2) from (1))			(e) _____

TOTAL ESTIMATED VALUE OF TAX EXEMPT BENEFITS ((a)+(b)+(c)+(d)+(e)) (f) _____